

*budgetary process*

SECRET

(chief, Budget Division, CIA) Memo for the Record, 21 Mar 1955

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during presentation of CIA budget before members of House Appropriations  
Comm:

Rep. Wigglesworth observed that no substantial amts had been drawn from reserve in past 3 yrs. Could the reserve be substantially reduced w/out danger. Why couldn't CIA come back for supplemental funds if more were needed, rather than carry this reserve?

Rep. Cannon rose to defend idea of reserve. He said that CIA needed the reserve "in a manner similar to the authority to fight forest fires which the U.S. Forest Service has. He observed that the Forest Service couldn't delay fighting a forest fire pending action on a request for funds but had to immediately and effectively fight the fire as soon as it was discovered."

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4 Dec 1953 -- Sprankle, on staff of House Appro Comm, has discussed w/ chairman Taber the possibility of a comm. member spending some time at CIA to study its activities and budget. Taber has vetoed the idea on the basis that it would take a week to ten days and that no congressman presently had the time to give such a project. He has reached no decision as to how best to handle the budget briefings.

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25 April 1951

in accordance w/ past practice, have informed George Harvey, chief clerk of House Appro Comm, of the total amt. of CIA budget and where each lump sum is located

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[redacted] No further action will be necessary if the House Appro Comm requests a hearing before the 3-man subcomm which has handled our budget in the past.

Mr. Harvey stated that we were to answer no Qs abt our budget from members of his staff or anyone other than himself or the Chairman, and he has instructed his staff that all Qs should be directed to me.

F.Y. '52

1 June 1951 - DCI testified on budget before House Appro subcomm. composed of Congressmen Cannon, Mahon, + Tabor.

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OLC Journal, 28 June 1957

Rep. Cannon has difficulty w/ his House colleagues re thoroughness  
of budget scrutiny & would like written record of hearings.

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for the Record, 25 July 1957, Subj: Meeting w/ the  
House Appropriations Subcomm.

follow-up to meeting of 28 June, which has been xeroxed

*resentment at "holier-than-thou" ~~attitude~~ treatment being accorded CIA*

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12 Apr. '53 - House Apprs. Subcomm. had budget hearings on  
CIA budget. Present were 5 congressmen [Tobey, Cannon,  
Scrivener, Mahon, Wigglesworth], 3 staffers, & a stenographer

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in 1965, House Appro Subcomm examined Agency budtet "in considerably more detail than in the past."  
2 subcomm. members then visited Agency and over a 2-day period reviewed the CIA's budgetary program and fiscal procedures.

"We welcome this type of close contact and scrutiny of the Agency's fiscal activities. It is our conviction that the more informed these and other responsible members of the Cong become, the more impressed they become w/ the professionalism of our people and the competence of our organization."

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General Accounting Office, Congress' legal and accounting arm

in 1961, GAO concluded that under existing CIA-imposed security restricts, it could not perform useful audits; since then it has not reviewed the CIA.

GAO provided the mechanism thru which Cong normally audits the executive agencies. the intell. subcomms did not have the capacity to audit a budget as large as the CIA's, while GAO established precisely to perform such tasks. by restricting GAO, CIA effectively forecloses legis. auditing.

pp. 518-19

for some yrs after 1949, GAO at the DCI's request, did make on-site audits, just as it had done for CIG. But these audits were limited; GAO referred questionable payments to CIA Comptroller's Office for examination and made no audit whatever of unvouchered expenditures.

p. 527

DCI appeared before appropriate cong. comm. w/ budget requests for coming yr broken down into general functional categories. Certification by subcomm. chairmen constituted approval. No floor debate, no public disclosure. No CIA appropriations [redacted] [redacted]

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in accordance w/ 1949 act, DCI has only to certify that that the money as appropriated has been spent--does not have to account for specific expenditures.

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during his 1973 confirmation hearings, Colby admitted that disclosure of total CIA budget figure would not create a security prob, he added that such disclosure might stimulate requests for additional details, which could lead to security probs.

p. 171

House members of the Armed Services subcomm for CIA have complained in the past that they have not been permitted access to CIA's budget figures. Only beginning in 1975 was the entire subcomm. allowed to participate in CIA budget hearings.

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in 1973, SEn. Wm Proxmire proposed legislation required CIA to disclose its annual budget--but Senate defeated this

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